

ASSEMBLY BILL

No. 1269

**Introduced by Assembly Member Pavley
(Coauthor: Assembly Member Wolk)**

February 22, 2005

An act to add Division 41 (commencing with Section 73500) to the Public Resources Code, relating to financing an air and water quality, coastal protection, and parks program, by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1269, as introduced, Pavley. Clean Air, Clean Water, Coastal Protection, and Parks Act of 2007.

Under existing law, various bond acts have been approved by the voters to provide funds for water projects, facilities, and programs.

This bill would enact the Clean Air, Clean Water, Coastal Protection, and Parks Bond Act of 2007 which, if adopted, would authorize, for purposes of financing an air and water quality, coastal protection, and parks program, the issuance, pursuant to the State General Obligation Bond Law, of bonds in the amount of \$ ____.

The bill would require the Secretary of State to submit the bond act to the voters at the ____ election.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Division 41 (commencing with Section 73500) is added to the Public Resources Code, to read:

DIVISION 41. CLEAN AIR, CLEAN WATER, COASTAL PROTECTION, AND PARKS ACT OF 2007

CHAPTER 1. SHORT TITLE AND FINDINGS AND DECLARATIONS

73500. This division shall be known and may be cited as the Clean Air, Clean Water, Coastal Protection, and Parks Bond Act of 2007.

CHAPTER 2. DEFINITIONS

73502. The following definitions apply to this division:

(a) "Air board" means the State Air Resources Board.

(b) "Air pollution" means emissions of pollutants regulated by the air board and include oxides of nitrogen, hydrocarbons, particulate matter, and toxic air contaminants.

(c) "Board" means the State Water Resources Control Board.

(d) "Department" means the Department of Fish and Game.

(e) "DPR" means the Department of Parks and Recreation.

(f) "Fund" means the Clean Air, Clean Water, Coastal Protection, and Parks Fund established by Section 73505.

(g) "Local districts" means air pollution control districts or air quality management districts.

(h) "Projects" and "eligible projects" are projects for one or more of the following purposes:

(1) The acquisition, construction, modification, or restoration of capital assets such as land and water resources, buildings, and facilities, as well as interests in these capital assets, and related costs.

(2) The acquisition of equipment, tools, vehicles, vessels, long-term contracts, or other enforceable interests in capital assets necessary to achieve the objectives of the program.

(3) The replacement, repowering, or rebuilding of equipment.

(i) "Secretary" means the Secretary of the Resources Agency.

1 CHAPTER 3. THE CLEAN AIR, CLEAN WATER, COASTAL
2 PROTECTION, AND PARKS FUND
3

4 73505. The proceeds of bonds issued and sold pursuant to this
5 division shall be deposited in the Clean Air, Clean Water,
6 Coastal Protection, and Parks Fund, which is hereby established
7 in the State Treasury.
8

9 CHAPTER 4. CLEAN AIR PROGRAM
10

11 Article 1. Administrative Provisions
12

13 73506. The air board, in consultation with local districts, shall
14 adopt regulations as needed for the administration of programs
15 funded pursuant to this chapter based on the following criteria:

16 (a) Projects shall provide cost-effective emission reductions of
17 air pollution.

18 (b) Projects shall contribute to public health by reducing
19 pollution during the entire life of the project.

20 (c) No project is eligible for funding if it is required by any
21 local, state, or federal statute, rule or regulation, or any other
22 binding order.

23 (d) The air board shall establish standards for eligible costs,
24 appropriate matching requirements, and establish other grant and
25 loan requirements necessary to ensure maximum public benefits.

26 (e) All programs established pursuant to this chapter shall
27 include a monitoring and reporting component to allow
28 evaluation and modification of program requirements to achieve
29 maximum air quality improvements.
30

31 Article 2. Reducing Pollution from Diesel Trucks: The Carl
32 Moyer Program
33

34 73507. The sum of ____ dollars (\$____) shall be available
35 from the fund for appropriation by the Legislature to the air
36 board for grants to local districts pursuant to Chapter 9
37 (commencing with Section 44275) of Part 5 of Division 26 of the
38 Health and Safety Code.

1 Article 3. Reducing Pollution from Schoolbuses

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3 73508. The sum of ____ dollars (\$____) shall be available
4 from the fund for appropriation by the Legislature to the air
5 board for grants to local districts to replace older, polluting
6 schoolbuses, to reduce air pollution and to reduce exposure to air
7 pollution, including air toxics, by school children.
8

9 Article 4. Reducing Pollution from Agricultural Sources

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11 73509. The sum of ____ dollars (\$____) shall be available
12 from the fund for appropriation by the Legislature to the air
13 board for grants and loans to local districts to reduce air pollution
14 from agricultural sources. Eligible projects may include, but are
15 not limited to, any of the following:

16 (a) Grants and loans for the replacement of engines and
17 equipment to reduce air pollution.

18 (b) Grants and loans for equipment or other eligible projects
19 that encourage adoption of tillage, harvesting, fertilizing, or other
20 practices that reduce air pollution.

21 (c) Grants for equipment or other capital outlay necessary to
22 reduce agricultural burning.
23

24 Article 5. Hydrogen Fueling Infrastructure

25
26 73510. (a) The sum of ____ dollars (\$____) shall be available
27 from the fund for appropriation by the Legislature to the air
28 board for grants and loans for projects that provide incentives for
29 the early establishment of a fueling infrastructure to support
30 hydrogen fuel cell powered, hydrogen combustion powered
31 vehicles and other projects that may be needed to promote the
32 early commercial introduction of hydrogen fueled vehicles in
33 California.

34 (b) The air board, in consultation with the California Energy
35 Resources Conservation and Development Commission, the
36 Treasurer, the affected industries, public health and
37 environmental organizations, and the public, shall prepare and
38 submit to the Legislature, not later than one year after the
39 effective date of this division, a plan to use the funds authorized
40 by this section to encourage the earliest practical, cost effective,

1 large scale inclusion of hydrogen fueled vehicles into the
2 California vehicle market.

3 (c) The plan shall include consideration of financing
4 subsequent fueling infrastructure development through revenue
5 bonds supported by a tax on hydrogen. Except for the purposes
6 of subdivision (b), no appropriation of funds authorized by this
7 section may be made prior to the date on which the report
8 required by this section is submitted to the Legislature.

9
10 CHAPTER 5. CLEAN WATER PROGRAMS

11
12 Article 1. Water Quality

13
14 73530. (a) The sum of ____ dollars (\$____) shall be available
15 from the fund for appropriation by the Legislature to the board
16 for competitive grants, as follows:

17 (1) The sum of ____ dollars (\$____) for agricultural pollution
18 prevention projects pursuant to Article 4 (commencing with
19 Section 30940) of Chapter 4 of Division 20.4. Of the funds made
20 available pursuant to this paragraph, not less than ____ dollars
21 (\$____) shall be expended for grants to reduce water pollution
22 from dairy operations.

23 (2) The sum of ____ dollars (\$____) for small community
24 wastewater projects pursuant to Article 1 (commencing with
25 Section 30925) of Chapter 4 of Division 20.4.

26 (3) The sum of ____ dollars (\$____) for small community
27 groundwater protection projects pursuant to Article 6
28 (commencing with Section 30950) of Chapter 4 of Division 20.4.

29 (4) The sum of ____ dollars (\$____) for storm water cleanup
30 projects pursuant to Article 2 (commencing with Section 30930)
31 of Chapter 4 of Division 20.4.

32 (b) For the purposes of funding projects pursuant to this
33 article, priority shall be given to projects that do both of the
34 following:

35 (1) Assist in meeting water quality standards established by
36 the board.

37 (2) Are implemented as part of a multiobjective water
38 management plan.

1 (c) All projects financed pursuant to this article shall include a
2 monitoring and evaluation component consistent with the surface
3 water ambient monitoring program.

4
5 Article 2. Integrated Watershed Management Programs

6
7 73531. The sum of ____ dollars (\$____) shall be available
8 from the fund for appropriation by the Legislature to the
9 Department of Water Resources for grants pursuant to Chapter 8
10 (commencing with Section 79560) of Division 26.5 of the Water
11 Code.

12
13 Article 3. River Protection

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15 73532. The sum of ____ dollars (\$____) shall be available
16 from the fund for appropriation by the Legislature to the
17 secretary for grants for river parkway projects consistent with
18 Chapter 3.8 (commencing with Section 5750) of Division 5.

19
20 CHAPTER 6. COASTAL PROTECTION PROGRAMS

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22 73550. The sum of ____ dollars (\$____) shall be available
23 from the fund for appropriation by the Legislature to the board
24 for competitive grants for the purposes of Chapter 3
25 (commencing with Section 30915) of Division 20.4. Of the funds
26 made available pursuant to this section, not less than ____ dollars
27 (\$____) shall be expended for the restoration of the Santa
28 Monica Bay pursuant to Division 20.7 (commencing with
29 Section 30988).

30 73551. The sum of ____ dollars (\$____) shall be available
31 from the fund for appropriation by the Legislature to the State
32 Coastal Conservancy for coastal protection projects pursuant to
33 Division 21 (commencing with Section 31000) of the Public
34 Resources Code. Of the funds made available pursuant to this
35 section, not less than ____ dollars (\$____) shall be expended for
36 the San Francisco Bay Conservancy Program established
37 pursuant to Chapter 4.5 (commencing with Section 31160) of
38 Division 21 and not less than ____ dollars (\$____) shall be for
39 projects in collaboration with the San Diego River Conservancy.

1 73554. The sum of ____ dollars (\$____) shall be available
2 from the fund for appropriation by the Legislature to the Santa
3 Monica Mountains Conservancy for coastal protection projects
4 pursuant to Division 23 (commencing with Section 33000).

5 73555. The sum of ____ dollars (\$____) shall be available
6 from the fund for appropriation by the Legislature to the San
7 Gabriel and Lower Los Angeles Rivers and Mountains
8 Conservancy for coastal protection projects pursuant to Division
9 22.8 (commencing with Section 32600).

10 73556. The sum of ____ dollars (\$____) shall be transferred
11 from the fund into the California Ocean Protection Trust Fund
12 established pursuant to Section 35650 for the purposes of that
13 fund.

14
15 CHAPTER 7. PARKS AND WILDLIFE PROTECTION
16

17 73557. The sum of ____ dollars (\$____) shall be available
18 from the fund for appropriation by the Legislature to DPR for the
19 acquisition, development, and restoration of state park lands and
20 visitor serving, interpretive, and other park facilities.

21 73558. The sum of ____ dollars (\$____) shall be available
22 from the fund for appropriation by the Legislature to DPR for
23 local assistance grants for local and regional parks pursuant to
24 one or more of the following programs:

25 (a) Per capita grants for the acquisition and development of
26 neighborhood, community, and regional parks and facilities.

27 (b) Grants in accordance with the Roberti-Z'berg-Harris Urban
28 Open-Space and Recreation Program Act (Chapter 3.2
29 (commencing with Section 5620) of Division 5).

30 (c) Grants in accordance with the Murray-Hayden Urban Parks
31 and Youth Service Program.

32 (d) Grants in accordance with the Urban Park Act of 2001
33 (Chapter 3.3 (commencing with Section 5640) of Division 5).

34 73559. The sum of ____ dollars (\$____) shall be available
35 from the fund for appropriation by the Legislature to the Sierra
36 Nevada Conservancy for projects pursuant to Division 23.3
37 (commencing with Section 33300).

38 73560. The sum of ____ dollars (\$____) shall be available
39 from the fund for appropriation by the Legislature to the San

Joaquin River Conservancy for projects pursuant to Division 22.5 (commencing with Section 32500).

73561. The sum of _____ dollars (\$_____) shall be available from the fund for appropriation by the Legislature to the Coachella Valley Mountains Conservancy for projects pursuant to Division 23.5 (commencing with Section 33500).

73562. The sum of _____ dollars (\$_____) shall be available from the fund for appropriation by the Legislature to the department for the protection of fish and wildlife pursuant to Division _____ (commencing with Section _____) of the Fish and Game Code.

CHAPTER 8. MISCELLANEOUS

73563. Not more than 10 percent of funds allocated to any program funded by this division may be used to finance monitoring, research, or planning necessary for the successful implementation of the program.

CHAPTER 9. FISCAL PROVISIONS

73570. Bonds in the total amount of _____ dollars (\$_____), or so much thereof as is necessary, not including the amount of any refunding bonds, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this division and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

73571. The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law, except Section 16727, apply to the bonds and to this division and

1 are hereby incorporated in this division as though set forth in full
2 in this division.

3 73572. (a) Solely for the purpose of authorizing the issuance
4 and sale, pursuant to the State General Obligation Bond Law, of
5 the bonds authorized by this division, the Clean Air, Clean
6 Water, Coastal Protection, and Parks Finance Committee is
7 hereby established. For purposes of this division, the Clean Air,
8 Clean Water, Coastal Protection, and Parks Finance Committee
9 is the “committee” as that term is used in the State General
10 Obligation Bond Law. The committee consists of the Treasurer,
11 the Controller, and the Director of Finance, or their designated
12 representatives. The _____ shall serve as chairperson of the
13 committee. A majority of the committee may act for the
14 committee.

15 (b) For purposes of the State General Obligation Bond Law,
16 each state agency that administers an appropriation from the fund
17 is designated the “board.”

18 73573. The committee shall determine whether or not it is
19 necessary or desirable to issue bonds authorized pursuant to this
20 division in order to carry out the actions specified in this division
21 and, if so, the amount of bonds to be issued and sold. Successive
22 issues of bonds may be authorized and sold to carry out those
23 actions progressively, and it is not necessary that all of the bonds
24 authorized to be issued be sold at any one time.

25 73574. There shall be collected each year and in the same
26 manner and at the same time as other state revenue is collected,
27 in addition to the ordinary revenues of the state, a sum in an
28 amount required to pay the principal of, and interest on, the
29 bonds each year. It is the duty of all officers charged by law with
30 any duty in regard to the collection of the revenue to do and
31 perform each and every act that is necessary to collect that
32 additional sum.

33 73575. Notwithstanding Section 13340 of the Government
34 Code, there is hereby appropriated from the General Fund in the
35 State Treasury, for the purposes of this division, an amount that
36 will equal the total of the following:

37 (a) The sum annually necessary to pay the principal of, and
38 interest on, bonds issued and sold pursuant to this division, as the
39 principal and interest become due and payable.

1 (b) The sum necessary to carry out Section 73576,
2 appropriated without regard to fiscal years.

3 73576. For the purposes of carrying out this division, the
4 Director of Finance may authorize the withdrawal from the
5 General Fund of an amount not to exceed the amount of the
6 unsold bonds that have been authorized by the committee to be
7 sold for the purpose of carrying out this division. Any amount
8 withdrawn shall be deposited in the fund. Any money made
9 available under this section shall be returned to the General Fund
10 from proceeds received from the sale of bonds for the purpose of
11 carrying out this division.

12 73577. All money deposited in the fund that is derived from
13 premium and accrued interest on bonds sold shall be reserved in
14 the fund and shall be available for transfer to the General Fund as
15 a credit to expenditures for bond interest.

16 73578. Pursuant to Chapter 4 (commencing with Section
17 16720) of Part 3 of Division 4 of Title 2 of the Government
18 Code, the cost of bond issuance shall be paid out of the bond
19 proceeds. These costs shall be shared proportionally by each
20 program funded through this bond act.

21 73579. The agency that administers an appropriation from the
22 fund may request the Pooled Money Investment Board to make a
23 loan from the Pooled Money Investment Account, including
24 other authorized forms of interim financing that include, but are
25 not limited to, commercial paper, in accordance with Section
26 16312 of the Government Code, for the purpose of carrying out
27 this division. The amount of the request shall not exceed the
28 amount of the unsold bonds that the committee, by resolution,
29 has authorized to be sold for the purpose of carrying out this
30 division. The requesting agency shall execute any documents
31 required by the Pooled Money Investment Board to obtain and
32 repay the loan. Any amounts loaned shall be deposited in the
33 fund to be allocated by the requesting agency in accordance with
34 this division.

35 73580. The bonds may be refunded in accordance with Article
36 6 (commencing with Section 16780) of Chapter 4 of Part 3 of
37 Division 4 of Title 2 of the Government Code, which is a part of
38 the State General Obligation Bond Law. Approval by the voters
39 of the state for the issuance of the bonds described in this
40 division includes the approval of the issuance of any other bonds

1 issued to refund any bonds originally issued under this division
2 or any previously issued refunding bonds.

3 73581. Notwithstanding any provision of this division or the
4 State General Obligation Bond Law, if the Treasurer sells bonds
5 pursuant to this division that include a bond counsel opinion to
6 the effect that the interest on the bonds is excluded from gross
7 income for federal tax purposes, subject to designated conditions,
8 the Treasurer may maintain separate accounts for the investment
9 of bond proceeds and for the investment earnings on those
10 proceeds. The Treasurer may use or direct the use of those
11 proceeds or earnings to pay any rebate, penalty, or other payment
12 required under federal law or to take any other action with
13 respect to the investment and use of those bond proceeds
14 required or desirable under federal law to maintain the
15 tax-exempt status of those bonds and to obtain any other
16 advantage under federal law on behalf of the funds of that state.

17 73582. The Legislature hereby finds and declares that,
18 inasmuch as the proceeds from the sale of bonds authorized by
19 this division are not “proceeds of taxes” as that term is used in
20 Article XIII B of the California Constitution, the disbursement of
21 these proceeds is not subject to the limitations imposed by that
22 article.

23 SEC. 2. Section 1 of this act shall become effective upon the
24 approval by the voters of the Clean Air, Clean Water, Coastal
25 Protection, and Parks Act of 2007, as set forth in Section 1 of the
26 act adding this section.

27 SEC. 3. Section 1 of this act shall be submitted to the voters at
28 the ____ election in accordance with provisions of the
29 Government Code and the Elections Code governing the
30 submission of statewide measures to the voters.

31 SEC. 4. (a) Notwithstanding any other provision of law, all
32 ballots at the election shall have printed thereon and in a square
33 thereof, the words: “Clean Air, Clean Water, Coastal Protection,
34 and Parks Bond Act of 2007” and in the same square under those
35 words, the following in 8-point type: “This act provides for a
36 bond issue of ____ dollars (\$____) to provide funds for an air
37 and water quality, coastal protection, and parks program.”
38 Opposite the square, there shall be left spaces in which the voters
39 may place a cross in the manner required by law to indicate
40 whether they vote for or against the act.

(b) Notwithstanding Sections 13247 and 13281 of the Elections Code, the language in subdivision (a) shall be the only language included in the ballot label for the condensed statement of the ballot title, and the Attorney General shall not supplement, subtract from, or revise that language, except that the Attorney General may include the financial impact summary prepared pursuant to Section 9087 of the Elections Code and Section 88003 of the Government Code. The ballot label is the condensed statement of the ballot title and the financial impact summary.

(c) Where voting in the election is done by means of voting machines used pursuant to law in a manner that carries out the intent of this section, the use of the voting machines and the expression of the voters' choice by means thereof are in compliance with this section.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to reduce air and water pollution, and protect critical natural resources, as soon as possible, thereby protecting public health and safety, it is necessary that this act take effect immediately.